

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6742**

**BILL NUMBER:** SB 201

**NOTE PREPARED:** Jan 20, 2011

**BILL AMENDED:** Jan 20, 2011

**SUBJECT:** Libraries.

**FIRST AUTHOR:** Sen. Gard

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** (Amended) *Library Severance Pay*- The bill allows a library board of a Class 1 public library to provide severance pay to a library employee who is voluntarily separated from employment with the library if the library board makes certain findings.

*Appropriation of Funds for Association Memberships*- The bill allows the library board of a Class 1 public library to appropriate funds to provide membership of library employees in local, state, and national associations of a civic, educational, professional, or governmental nature.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *Library Severance Pay*- A library would be able to provide severance pay to a voluntarily separated employee as long as the library board reduces the overall expenditures of library by the amount of expenditures for the severance pay. This provision should be expenditure neutral.

*Appropriation of Funds for Association Memberships*- The impact of this provision on library expenditures is indeterminable and would depend on future library board action.

Background: As of November 29, 2010, there were 238 Class 1 public libraries in Indiana.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Class 1 public library boards.

**Information Sources:** Indiana State Library.

**Fiscal Analyst:** Chris Baker, 317-232-9851.